

AMENDED IN SENATE AUGUST 29, 2008

CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 207

Introduced by Committee on Budget (Laird (Chair), Arambula, Beall, Berg, Brownley, Dymally, Feuer, Hayashi, Hernandez, Jones, Mullin, Ruskin, Swanson, and Wolk)

January 25, 2007

An act relating to the Budget Act of 2007 making an appropriation for the current expenses of the government of the State of California, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 207, as amended, Committee on Budget. Budget Act of 2007.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2007.~~

The Budget Act of 2007 appropriated funds for support of state government for the 2007–08 fiscal year.

This bill would appropriate \$12,000,000,000 from the General Fund and other funds and sources, as specified, to the Controller for allocation by the Director of Finance pursuant to an executive order issued by the Governor to pay the current expenses of the state government, excluding salaries and per diem of the Members of the Legislature, from July 1, 2008, to August 31, 2008, inclusive.

This bill would state the Legislature's intent to provide emergency funding while the Legislature enacts a budget.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
2 ~~changes relating to the Budget Act of 2007.~~

3 *SECTION 1. (a) The sum of twelve billion dollars*
4 *(\$12,000,000,000) is hereby appropriated to the Controller from*
5 *the funds and sources set forth in subdivision (b), for allocation*
6 *by the Director of Finance pursuant to an executive order issued*
7 *by the Governor, for the exclusive purpose of the payment of the*
8 *current expenses of the government of the State of California,*
9 *excluding salaries and per diem of Members of the Legislature,*
10 *for the period of July 1, 2008, to August 31, 2008, inclusive. The*
11 *allocation of the funds appropriated by this subdivision by the*
12 *Director of Finance shall be to maintain a level of service by the*
13 *government of the State of California that does not exceed the level*
14 *of service authorized and funded for the 2007–08 fiscal year.*

15 *(b) The Director of Finance shall allocate the funds*
16 *appropriated by subdivision (a) from the following funds and*
17 *sources:*

- 18 *(1) \$3,000,000,000 from the General Fund.*
19 *(2) \$1,200,000,000 from appropriate special funds.*
20 *(3) \$1,200,000,000 from appropriate bond funds.*
21 *(4) \$3,000,000,000 from appropriate federal funds.*
22 *(5) \$2,400,000,000 from appropriate nongovernmental cost*
23 *funds.*
24 *(6) \$1,200,000,000 from appropriate reimbursements.*

25 *SEC. 2. While budget discussions remain at a standstill, it is*
26 *the intent of the Legislature to provide continuous, uninterrupted*
27 *emergency funding to pay for the health care of Medi-Cal patients,*
28 *child care services, programs for the disabled, and other key*
29 *programs. Hospitals and nursing homes across the state depend*
30 *on Medi-Cal payments to keep their doors open to care for the*
31 *poor, the blind, and the disabled. Programs for those in need*
32 *should not be interrupted while the Legislature works towards a*
33 *balanced budget.*

34 *There is precedent for emergency funding such as this. In 1998,*
35 *the Legislature passed Senate Bill 267 (Chapter 213 of the Statutes*
36 *of 1998), introduced by Senator Maddy (Coauthors Senator Solis*
37 *and Assembly Members Ashburn and Honda), which provided*
38 *emergency funding for the current expenses of the state. This*

1 *urgency measure provided that in the absence of the enactment of*
2 *the annual Budget Act by July 1, 1998, \$18,959,000,000 was*
3 *appropriated from the General Fund and other funds and sources*
4 *to be used to pay the current expenses of the state government,*
5 *excluding salaries and per diem of the Members of the Legislature,*
6 *from July 1, 1998, to August 5, 1998, inclusive. The Legislature*
7 *also passed Assembly Bill 561 (Chapter 993 of the Statutes of*
8 *1998), which authorized loans of up to \$2,000,000,000 to continue*
9 *payments specifically to Medi-Cal providers, providers of*
10 *drug-treatment services, and providers of services to the*
11 *developmentally disabled during a budget stalemate.*

12 *It is the intent of the Legislature to again provide continuous*
13 *funding to provide care for the most needy children, elderly, poor,*
14 *and disabled.*

15 *SEC. 3. This act is an urgency statute necessary for the*
16 *immediate preservation of the public peace, health, or safety within*
17 *the meaning of Article IV of the Constitution and shall go into*
18 *immediate effect. The facts constituting the necessity are:*

19 *In order to settle existing and potential claims against the State*
20 *of California and to end the personal hardship to existing and*
21 *potential claimants as quickly as possible, it is necessary that this*
22 *act take effect immediately.*